



Trade Facts

Office of the United States Trade Representative
July 30, 2003

www.ustr.gov

United States - Bahrain Free Trade Agreement A Strong First Step with a Regional Leader

A U.S. - Bahrain Free Trade Agreement is an important step in implementing the President's announcement about advancing economic reforms in the Middle East and pursuing the goal of a Middle East Free Trade Area.

Building on Success

- The United States and Bahrain signed a Trade and Investment Framework Agreement in 2002, paving the way for closer economic ties between the two countries.
- U.S. investors will continue to benefit from protections accorded under the U.S. - Bahrain Bilateral Investment Treaty, in effect since 2001.

"A U.S. - Bahrain FTA could serve as a regional anchor for the Gulf, facilitating greater economic integration and reforms, and leading toward the eventual goal of a Middle East Free Trade Area."

**Ambassador Robert B. Zoellick
May 21, 2003**

Advancing U.S. Opportunities

- An FTA will provide increased access for U.S. firms to Bahrain's services sector including opportunities in the financial services, distribution, energy, construction and engineering, health services, education and training, tourism and travel, and environmental services sectors.
- Bahrain is a regional leader in economic reform and trade liberalization. It has opened its telecommunications market, provided increased transparency in government procurement and labor rights, and has a liberal trade regime for banking and insurance.

Promoting U.S. Exports

- A comprehensive U.S. - Bahrain FTA would eliminate tariffs, generating export opportunities for U.S. goods and creating jobs for U.S. farmers and workers.
- U.S. goods exports to Bahrain in 2002 totaled over \$419 million, including aircraft, machinery, vehicles, pharmaceutical products, toys, games and sports equipment. Agricultural commodities that would benefit from an FTA are U.S. meats, fruits and vegetables, cereals, and dairy produce.

Supporting Economic Reform

- The proposed FTA would support Bahrain's commitment to transparency, openness and the rule of law, improving intellectual property protection and encouraging the development of e-commerce.
- An FTA would also support Bahrain's efforts on environmental protection and labor, including the expansion of employment opportunities.